

MEETING OF

THE DELAWARE AGRICULTURAL LANDS PRESERVATION FOUNDATION

A meeting of the Delaware Agricultural Lands Preservation Foundation was held at the Delaware Department of Agriculture, 2320 S. DuPont Hwy. Dover, Delaware, January 20, 2010, with the following members in attendance:

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| Robert F. Garey, Chairman | Mark Davis (representing Edwin Kee, Secretary of Agriculture) |
| William Vanderwende, Vice Chairman | Kevin Coyle (representing Collin O'Mara, Secretary of DNREC) |
| L. Allen Messick, Jr., Treasurer | Lisa Embert (representing Velda Jones- Potter, State Treasurer) |
| Theodore P. Bobola, Jr. | Steven L. Ditmer |
| G. Ray Staats | |

Absent: Lyn Davenport.

The following staff members were in attendance: Michael McGrath, Howard Mesick, Milton Melendez, Scott Blaier, Cathy Mesick, and Robin West.

Others in attendance: Michael Parkowski, Esq., Mr. Russell Morgan, Mr. Paul Petrichenko, Ms. Kristen Shaw (Wheeler, Wolfenden & Dwares), Mr. Robert Pritchett, and Ms. Rose Pritchett.

Chairman Garey opened the meeting at 8:30 a.m. with prayer.

Chairman Garey introduced Messrs. Morgan and Petrichenko of NRCS to the Board and commended them on the help they have given to the Foundation. Michael McGrath spoke of their perseverance in presenting our perspective to NRCS without which we could not have completed Purchase of Development Rights Rounds 13, 14 and the upcoming Round 15. Michael Parkowski spoke of their assistance in preserving farmland in Delaware, as did Chairman Garey and Vice Chairman Vanderwende. It was decided to send a formal commendation letter to the Chief of NRCS and to Mr. Russell Morgan lauding their efforts to maintain Delaware farmland.

I. Audit Presentation

Ms. Kristen Shaw presented the audit to the Foundation Board and stressed the two main differences from the previous audit: The donation of the Wilson Farm and the funding cut of \$4M in State funds. Ms. Shaw commended Howard Mesick on his preparation of documents for the audit, and special mention was made of the help given by Janet Clendaniel in the Accounting Section.

Michael McGrath stated on behalf of the staff that everything was well done in our professional relationship with the auditors.

II. Progress Report:

Milton Melendez informed the Board that we have a total of 1,034 farms in preservation districts totaling 150,285 acres, with a total of 564 farms under agricultural easements totaling 93,935 acres at a cost of \$158,134,141. For PDR 15 there are a total of 54 farms, comprising 3,985 acres, with a value of \$52,263,437. For PDR 16, there are a total of 26 farms, comprising 2,435 acres, with a value of \$33,895,414. For the Forestland Preservation Program there are 34 Forestland Preservation Areas comprising 2,506 acres. For the Forestland Preservation Area Easements, there are a total of 9 properties, comprising 871 acres, with a value of \$1,448,482.

III. District Final Approval:

1. D. Brittingham Trustee District, ID#S-09-07-254. After discussion, **William Vanderwende moved to accept for final approval the D. Brittingham Trustee District, seconded by Kevin Coyle. Motion unanimously approved.**

IV. Expansion Eligibility & Final Approval:

1. Scarborough Expansion of the Parker Branch District, ID#S-09-07-224D. After discussion, **Kevin Coyle moved to accept for eligibility/final approval the Scarborough Expansion of the Parker Branch District, seconded by Theodore P. Bobola, Jr. Motion unanimously approved.**

V. Secretary of Agriculture's Veto – Mark Davis waived the right of veto for the above District and Expansion as Secretary Kee's representative.

VI. Public Comments – Mr. Pritchett commented that they just were interested in the process, which is their reason for attending.

VII. Minutes:

Chairman Garey asked if there were any comments or changes to the December 9, 2009, minutes. Hearing none, the Chairman asked for a motion to approve the minutes. **William Vanderwende moved to approve the December minutes, seconded by Allen Messick, Jr. Motion unanimously approved.**

VIII. Financial Highlights:

Howard Mesick then presented the Financial Statement for the month of December 2009, informing the Foundation Board that we had, as of December 31, 2009, \$178,777.09 in the Foundation's interest bearing State of Delaware account. We received \$251.17 from rollback taxes and \$323.00 interest income. Expenditures for the month of December totaled \$27,819.27. After discussion, **Allen Messick, Jr. moved to approve the December 2009 financial statement as presented, seconded by Theodore P. Bobola, Jr. Motion unanimously approved.**

IX. Executive Session – Mr. Parkowski indicated that there was a need for an executive session. **William Vanderwende moved to go into Executive Session, seconded by Allen Messick, Jr. Motion unanimously approved.** The Executive Session started at 9:15 a.m.

The Executive Session ended at 9:50 a.m. **Motion to end the Executive Session was made by Allen Messick, Jr., seconded by Kevin Coyle. Motion unanimously approved.**

X. Wilson Farm

Discussion was held on the lease of the Wilson farm and the Magee proposal. **Allen Messick, Jr. moved to authorize the staff with the concurrence of legal counsel to finalize and execute a lease agreement with the Magee's if the terms and conditions of the lease were acceptable and consistent with the discussions conducted with the Magees. The motion was seconded by Kevin Coyle. The motion was unanimously approved.**

XI. Other Business:

Cathy Mesick mentioned that the Joint Finance Committee would be holding the Agricultural Hearing February 11, 2010 starting at 2:00p.m. Chairman Garey stated that he could not attend; however, Vice Chairman Vanderwende said that he would attend the hearing.

Mr. Vanderwende asked when the new appraisals would be coming out. Robin West stated that all the Sussex appraisals were finished and the Kent County appraisals are coming in now.

Theodore P. Bobola, Jr. mentioned the Delaware Farm Bureau would be the contact with all the eastern Farm Bureau's (11 states) as to NRCS issues.

XII. Adjournment

As there was no further business to come before the Foundation, the meeting adjourned at 10:09 a.m. The next meeting of the Foundation will be held on February 17, 2010 at the Delaware Department of Agriculture, beginning at 8:30 a.m.

Respectfully submitted,

William Vanderwende.
Vice Chairman